This Issue of the A. F. of L. Weekly News Service Consists of 2 Pages

The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor throughout the industrial, legislative and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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The miller thinks that the wheat only grows in order to keep his mill going.—Goethe.

WHOLE NO. 1503 | WILLIAM GREEN, President | WASHINGTON, D. C., SATURDAY, FEBRUARY 3, 1940 | GEORGE MEANY, Secretary-Treasurer | VOL. 30, NO. 5

FACING *the* FACTS

With PHILIP PEARL

From now on we intend to pay little attention, or none at all, to anything that John L. Lewis says or does.

We have come to the conclusion that what Mr. Lewis says or does is no longer of any real interest to the workers or to the people of this country.

The constant succession of incredible city editor statements emanating from Mr. Lewis in the past year has had the cumulative effect of making him an object of public ridicule and derision. Indignation has given way to laughter. The consensus of public opinion is that the man is suffering from an incurable swelled head or is just plain "nuts."

The last straw was Mr. Lewis' contribution about the cake prepared by the members of the Bakery Workers Union and presented to President Roosevelt on the occasion of his birthday by President William Green of the American Federation of Labor. In childish fatty Mr. Lewis arised upon this simple and sincere tribute to the President of the United States as a pretext for attacking the American Federation of Labor. With insufferable hypocrisy he declared that he was more interested in trying to provide bread for the hungry than in presenting a cake to the President.

Mr. Lewis' sudden solicitude for the hungry worker is indeed touching. May we remind him that there are a large number of unemployed and hungry workers in his own union, the United Mine Workers of America. May we further remind him that if instead of taxing the members of his own union $1 per month for two months to raise a $700,000 fund for political campaign contributions he might more logically and more wisely use this money for the relief of the destitute miners of the country.

But enough about Mr. Lewis. Let us turn instead to the intelligent and progressive program for combatting unemployment adopted this week by the Executive Council of the American Federation of Labor at its mid-winter meeting.

The Council declared that unemployment must not be considered a partisan or a political issue but must be accepted as a national responsibility of our democratic form of government.

The first essential step recommended by the Council calls for a thorough survey of the unemployment problem to ascertain how many men and women willing and able to work are unemployed through no fault of their own, to learn what localities and what industries have suffered most, to find out the extent of unemployment among young and among middle-aged workers and to obtain accurate information on the technological displacement of workers by new inventions and machinery. The Council came to the conclusion that the only permanent cure for unemployment is to provide enough jobs to go around in private industry. It called for the restoration of business confidence and the encouragement of industrial expansion. It urged the creation of a National Advisory Council on Unemployment to unify efforts by the government, business, labor, farmers and consumers to end unemployment. The Council reiterated labor's advocacy of the shorter work-week, to spread available jobs, increase purchasing power and offer opportunity for continuous growth to industry.

By direction of the Executive Council the officers of the American Federation of Labor will go to the national conventions of both political parties this summer and call upon them to adopt platforms containing such a constructive program for the elimination of wide-spread unemployment. In this effort the officers of the American Federation of Labor will need the full support and backing of the entire membership of organized labor.

The time has come when we must face the test of making democracy work. Permanent unemployment would result in the failure of democracy. It is the duty of all of us to join together in an informed, intelligent and unified effort to solve the problem of unemployment and provide opportunities to work for all who are willing and able so to do. Only then can we achieve the progressively higher standard of living for all our people which is the goal of true and efficient democratic government.

(Released by the American Federation of Labor Weekly News Service)

$3,839,393 Owed Kansas City Employes For Wage Reductions Illegally Imposed

Missouri Supreme Court Sustains Claim of City Fire Fighter For $1,029 Taken From His Pay During Five Years.

By A. F. of L. Weekly News Service.

Jefferson City, Mo.—A unanimous decision handed down by Division No. 1 of the Missouri Supreme Court may result in the city government of Kansas City, Mo., collecting several million dollars in salaries which the highest court has ruled was illegally withheld from them for a number of years beginning with 1933.

The case came before the court in a suit filed by John O. Rothrum, a former member of the Kansas City Fire Department, to collect $1,035 in pay withheld from him during his service on the city's fire fighting force beginning with 1932 and running to 1936.

The Supreme Court's decision hinged on the validity of applications for leave of absence which firemen were required by the Kansas City administration to sign in authorizing the reduction in pay. Attorneys for Mr. Rothrum contended the applications and agreements for serving voluntarily during the supposed leave of absence was illegal and the Supreme Court upheld that contention.

The Supreme Court granted a writ of mandamus against L. Dailey, Kansas City's Director of Finance, to compel him to pay the $1,035 to Rothrum.

Observers familiar with the history of the wage cuts during the period covered by Rothrum's suit said that the precedent established by the Supreme Court's decision if applied to other city employes who suffered similar reductions during the years in Kansas City being compelled to dig up $3,839,393 to liquidate the illegal salary slashes.

WHARTON RESIGNS AS A. F. L. OFFICIAL

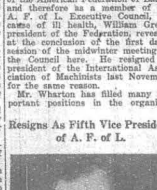
Ill Health Causes Him to Surrender Office of Fifth Vice President.

By A. F. of L. Weekly News Service.

Miami, Fla.—Arthur O. Wharton, former president of the International Association of Machinists, tendered his resignation as fifth vice president of the American Federation of Labor, and therefore as a member of the A. F. of L. Executive Council, because of ill health, William Green, president of the Federation, revealed at the conclusion of the first day's session of the mid-winter meeting of the Council here. He resigned as president of the International Association of Machinists last November for the same reason.

Mr. Wharton has filled many important positions in the organized

Resigns As Fifth Vice President of A. F. of L.



ARTHUR O. WHARTON

labor movement and the Government. He was elected general chairman of the International Association of Machinists in 1903 and served as president of the Railway Employes Department of the American Federation of Labor from 1912 to 1918. He was appointed president of the Mediation Commission effective July 1, 1926, elected president for the term July 1, 1927-July 1, 1930, and was re-elected for every term since then.

In 1928 James Duncan, first vice president of the American Federation of Labor, died, and Martin F. Ryan, sixth vice president, was named treasurer to succeed Daniel J. Tobin who had resigned. To fill one of those vacancies the Executive Council appointed Mr. Wharton to the position of eighth vice president. He was elected eighth vice president by the 1928 convention for the year beginning June 1, 1928. By reappointment and election he became seventh vice president in 1930, sixth vice president in 1931, and fifth vice president in 1935, in which capacity he served until his resignation.

Mr. Wharton's service for the Government was also notable.

Secretary of the Interior Lane appointed him adviser to the Railway Wage Commission in January, 1918. Dr. William G. McAdoo, Director General of Railroads, selected him as a member of the Board of Railway Wages and Working Conditions, on which he served as vice chairman when the Railway Labor Board by President Wilson in 1920, and was re-appointed by President Harding for the term 1922-1927. He was also appointed a member of the National Labor Adjustment Board of the National Recovery Administration in 1934, and was made chairman of the WPA Labor Policy Board in 1935.

In addition, Mr. Wharton was chairman of the committee that negotiated the first standard form of agreement between Southwestern railways and machinists, boilermakers and blacksmiths in 1917.

He has also served for some time as a director of the Union Labor Life Insurance Company.

STEADY ADVANCE MADE BY WATERLOO UNIONS

Waterloo, Iowa (AFLWNS).—Edward R. Hagerstrom, president of the Waterloo Central Labor Union, declared in a review of 1939 labor progress in Waterloo that unions affiliated with the American Federation of Labor had increased their membership twenty per cent during the 12-month period.

He attributed much of this progress to the spirit of cooperation that animates the relations between employers and employes in this area.

"The good will and cooperation which exist in Waterloo," he said, "are the envy of other industrial cities so far as labor relations are concerned."

Notable among the events in Waterloo in 1939, according to Mr. Hagerstrom, was the first union label week observed in this city, participated in by approximately 70 merchants who displayed union made merchandise.

Because of the large amount of building work in Waterloo during the year, skilled mechanics were obtained from other cities to fill the surplus jobs.

While membership of the A. F. of L. unions had increased in 1939, "we have none on the public relief rolls," Mr. Hagerstrom said, adding:

"Cooperation has been made possible between employers and employes through strict adherence to these principles:

"All disputes must be settled by friendly negotiation.

"Strikes and lockouts are undesirable from every point of view.

"Employers of union workers are to be boosted at all times, and capable men entrusted with the task of carrying out union labor's platform.

"Good working conditions, good wages and the highest possible standard of workmanship are planks in this platform."

BIG JOB INCREASE CITED BY DEPARTMENT OF LABOR

Washington, D. C. (AFLWNS).—The United States Department of Labor reported that more than 1,200,000 non-agricultural workers were employed during December, 1939, over the same month of 1938, thus bringing employment to the highest level since October, 1937.

The report said employment increased by nearly 250,000 from mid-November to mid-December and attributed it primarily to an increase of 890,000 workers in retail stores to handle increased volume of Christmas trade.

Providing Employment For Jobless Millions Is Nation's Paramount Duty, A. F. of L. Executive Council Declares

End of Government Actions That Unnecessarily Hinder Business Expansion Urged to Stimulate Work Opportunities in Private Industry; Creation of National Advisory Council on Unemployment Advocated; Shorter Work Week Without Pay Cuts Asked to Spread Available Jobs.

By A. F. of L. Weekly News Service.

Miami, Fla.—The Executive Council of the American Federation of Labor, meeting here in its mid-winter session, adopted a declaration calling on the nation to end unemployment and provide work for the millions of working men and women now in the jobless army.

As one method to achieve this commendable objective the Council recommended that unnecessary government restraints on business expansion cease in order to create employment by larger industrial activity.

The Executive Council also urged the gradual establishment of the six-hour day and five-day week without reduction in weekly wages, but insisted that until unemployment is reduced the cost of relief for those not employed is a responsibility of every element of our national life.

In addition, the Executive Council recommended that Congress establish a national advisory council on unemployment composed of representatives of various groups to develop an integrated attack on the unemployment problem.

Text of Council's Statement

Following is the text of the declaration adopted by the Executive Council:

"Unemployment still is the most acute domestic problem of the nation. No energy and intelligent effort has yet been made to determine the facts with regard to unemployment, its causes, its extent, its cure. As a nation we have not hesitated to spend billions for the relief of those who are unemployed but we have neglected to take the necessary steps to reduce and end unemployment.

Permanent Unemployment Is Unthinkable

"Therefore, the American Federation of Labor refuses to accept the idea of chronic or permanent unemployment. To admit this would be to admit the failure of democracy. We believe that a democracy owes a basic obligation to its citizens to provide them with opportunity to work and achieve a progressively higher standard of living.

Not a Political Issue

"The Executive Council instructs the officers of the American Federation of Labor to call upon both political parties to incorporate in their platforms this year a constructive program for the elimination of widespread unemployment. This is not and must not be considered a partisan or political issue. It is a grave responsibility of every element of our national life.

Number and Occupational Status of Jobless Must Be Ascertained

"The American Federation of Labor has come to the conclusion that it would be suicidal for this nation to continue groping in the dark about unemployment. It is essential that we proceed immediately to find out the facts and to face them courageously. First we must ascertain just how many men and women willing and able to work are unemployed through no fault of their own.

"We must learn what localities and what industries have suffered most. We must find out the extent of unemployment among our youth and among middle-aged workers. We must get more accurate information on the technological displacement of workers by new inventions and machinery. Only when this knowledge is obtained can we act intelligently.

Restoration of Business Confidence Is Imperative

"Furthermore, experience has taught us that Government spending, while it provided necessary relief for those forced into idleness, offers no permanent cure for unemployment. The only possible practical way to end unemployment is to provide jobs for the unemployed in private industry.

"At this time there are not enough jobs in private industry to go around. This is largely due, in our opinion, to the fact that lack of confidence has stunted business growth and expansion. We demand that those in authority take whatever steps may be necessary to restore business confidence.

"We urge that all Government actions that tend unnecessarily to discourage business expansion cease, and that a positive effort be made to encourage greater industrial activity. We have learned the lesson that when business and labor profit, huge opportunities for jobs likewise disappear.

Creation of National Unemployment Council Urged

"We recommend that efforts to reduce unemployment be intensified. To this end, we urge Congress to create a National Advisory Council on Unemployment which will consist of representatives of Government, business, labor, farmers and consumers. Such a council could bring about unity of purpose and unity of action on a constructive program.

Shorter Work Week Without Pay Cuts Demanded

"Organized labor has long felt that the shorter work week without decreases in pay provides a positive and progressive offset to the natural displacement of workers by the introduction of labor-saving machinery. Benefits from new inventions and improved methods of production must be shared by business, by the workers and by the consumers if we are to avoid a top-heavy and unbalanced economy.

"The shorter work week will spread available jobs among a greater number, increase consuming and purchasing power and thereby offer opportunity for continuous growth to industry. The American Federation of Labor therefore will continue to press for the five-day week and the six-hour day.

Government Must Continue Relief For Jobless Millions

"Until unemployment is reduced, the Government must bear the heavy burden of providing relief for the millions now unable to find work in private industry. A large appropriation will again be necessary for this purpose during the coming year.

"We call upon Congress not to seek economy at this time at the expense of the helpless but to provide an adequate appropriation which can drop this relief burden and slash the terrifyingly high cost of Government when the unemployment problem is faced, met and solved."

ANTI-TRUST CURBS ON UNIONS SCORED

American Federation of Labor Spokesman Declares Assistant General Arnold's Crusade Against A. F. of L. Affiliates Has Earmarks of Political Prosecutions.

By A. F. of L. Weekly News Service.

New York, N. Y.—Francis P. Fenton, director of organization for the

A. F. of L. Director of Organization

FRANK P. FENTON

American Federation of Labor, declared in an address before the Fordham University labor law congress here that Sherman Anti-Trust Act never was intended to apply to labor unions and that the Federal investigation of unions now underway by Assistant Attorney General Thurman Arnold "has all the earmarks of prosecution for political objectives instead of for the furthering of social welfare."

In addition, Mr. Fenton assailed the "despotic and cruel" attitude of some employers and asserted that organized labor "will fight with all its might to protect the continual existence of the capitalistic system as we know it."

Taking for his subject "Labor Law and It's Bearing on Democracy," Mr. Fenton recalled that when the Sherman Act was passed the late Samuel Gompers, then president of the American Federation of Labor, appealed to Senators to write in a provision expressly excluding unions from the application of the law. But Senators told Mr. Gompers, Fenton contended, that this was not necessary, as it was not the intent of the law to apply to unions.

Now, Mr Fenton said, comes the proposal "to reform trade and labor practices in industry by prosecuting under anti-trust laws." He declared that it would be a "dangerous precedent" to establish "identical treatment for unions and economic trusts or monopolies."

"There are complete and adequate remedies at law to punish the criminals in industry," he asserted. "The punishment of crime and other misdeeds is not the way to improve standards of fair trade or labor practices. That is why I am here to plead with government in industry. Nor is the antitrust division of the Department of Justice the proper place to determine relative methods of efficiency in production.

In the introduction of his address Mr. Fenton condemned in strong words the "despotic" acts of employers who, he charged, would like to see employed remain in the status of "serfdom." The American worker wants no part of communism, he asserted, but capital must realize the importance of coming to an understanding with labor.

Agricultural Workers, Domestics, Employes of Religious, Charitable And Educational Institutions Should Be Covered By Old-Age Insurance

American Federation of Labor Declares "There Is No Justification" For Excluding These Groups From the Benefits of the Social Security Act and Demands That Persons Engaged in "All Types of Work" Shall Be Made Eligible for Retirement Pensions.

By A. F. of L. Weekly News Service.

The Social Security Act which became effective January 1 extended old age and survivors pensions to a large number of persons who were excluded from the coverage of the original law and liberalized pension payments. But there still remain hundreds of thousands of workers, equal in rights to those entitled to pensions, who are barred by Congress from the benefits prescribed by the law.

We keep on repeating the slogan that there are no classes in the United States, but when Congress enacts legislation barring certain groups from the Federal old age pension system it virtually says itself, by legislative fiat, establishes at least two classes of workers. In the first class are those who are given security in old age by a Federal pension. In the second class are those who are barred from security in their old age by denying them a Federal pension.

The legislative program of the American Federation of Labor to remedy this gross injustice in the Social Security Act was definitely set forth by the 1939 convention of the Federation in a resolution demanding the extension of old age pensions to agricultural workers, domestics, and employes of religious, charitable and educational institutions.

Many Groups Still Barred From Old Age Pensions

On the specific subject of old age insurance coverage, the convention said:

"The Advisory Council on Social Security, a committee composed of representatives of labor, employers and the public, after careful study, has recommended that the employes of the private non-profit religious, charitable, and educational institutions excluded from old age insurance should be brought under coverage immediately; that maritime employment be brought under coverage and that employes should be covered if administratively possible by January 1, 1940; and that the old age insurance program should be extended as soon as feasible to include other groups not now covered, studies being made of the problems involved in including agricultural persons and governmental employes.

"In the current amendments to the Social Security Act, the officers and members of crews on American vessels engaged in whaling voyages which entered into abroad and who never touched at an American port in the course of their employment, are included in the provisions for old age benefits. However, all persons engaged in the fishing industry are exempt from this provision, except those employed in salmon canning and fishing and officers and members of crews of fishing vessels of over 50 tons. Inclusion of all fishermen will be easier when the program is extended to cover employed persons or independent contractors.

Importance of Coverage Extension Emphasized

"The extension of coverage is important because the old age insurance system is compulsory for workers who are included and no provision is made for refunding payments made by workers who are covered for a few years but not long enough to become fully insured individuals.

"The present law requires earnings of at least $50 in each of half the quarters elapsing after 1936 or after the quarter in which the insured person became 21 years of age, whichever is later, up to the quarter in which he became 65 or died. If more than 30 quarters have elapsed he must have had at least 40 quarters of covered employment.

Hardship Imposed on Workers Who Shift From Covered to Non-Covered Employment

"Over a period of years an unfair hardship will be created for workers who shift from covered to non-covered employment. Thus, if a man works half the year in agricultural employment he must have industrial work in both the other quarters of the year regularly for twenty years, whereas if all his work had been in industrial employment, ten years of work would have made him a fully insured individual.

"If a man worked steadily for 15 years, from age 21 to 36, half the time in industrial and half in agricultural employment, and received industrial wages of $100 a month for 6 months of each year, his industrial wages of $6000 a year would amount to $90000. From this he would have paid in old-age insurance taxes from 1 per cent to 3 per cent per year or an amount between $90 and $270. Yet if he became incapacitated for further industrial work at that point, or became a farmer full time and had no more covered employment, he would have only 30 quarters of coverage and would not be eligible for the insurance benefits at 65.

"Another man starting work at the same time at age 21, earning only $200 a year for total employment for 10 years, if it were so spaced that he earned $50 in each quarter, would have total earnings of $2000 in the 40 quarters on which he would have paid $20 to $60 taxes. At the age of 65 he would be eligible for insurance benefits, even though he never worked again after age 31.

"Such inequities will affect all workers who move from covered to non-covered employment. The only fair solution is to bring all kinds of employment into coverage so that the worker will not lose his equity in the insurance system when he changes his type of work.

Extension to Agricultural Workers Favored by Social Security Board

"The Social Security Board in its proposals for changes to the act limited its belief that it was administratively feasible to extend the coverage of old-age insurance widely, but has recommended that the conclusion which the original law had of 'agricultural labor' be modified by defining agricultural labor so that it would clearly cover only the services of a farm laborer employed by a farmer to do the ordinary work connected with a farm.

"The Board anticipated that even this exclusion could be eliminated eventually, though perhaps only when the administrative problems of including all farmers and self-employed persons are worked out. In the meantime, however, the Board believed that excluding farm labor on large-scale farms, semi-industrial in character, increased rather than diminished the administrative difficulties."

Opposed by Anti-Labor Industrial Farms Group

"In spite of this clear statement the Board and even the Advisory Council which had studied the problem, the industrial farms and employer groups which sought under the name of farm organizations were successful in having the term 'agricultural labor' defined so broadly as to exclude from coverage many industrial laborers, carpenters, bookkeepers, truckers, etc., whose work is only very incidentally related to bona fide farm work. The American Federation of Labor must continue to fight this injustice and to secure the extension of coverage to all agricultural workers.

Domestic Labor Should Not Be Excluded

"The same problems are involved in the exclusion of domestic labor in which field there is a considerable amount of shifting from covered to non-covered employment. The Social Security Board as well as the Advisory Council recommended the inclusion of domestic service. The American Federation of Labor believes this extension of coverage should be made immediately.

Status of Religious, Charitable and Educational Institutions Should Be Included

"Similar reasons impel us to declare for the extension of coverage to employes of religious, educational and charitable organizations. The argument that these organizations care for their own employes usually applies only to a few persons in the organizations, such as ministers or executives. The other workers, janitors, and other employes are seldom protected. There is no justification for the limitation of the security program.

"The system of old-age insurance will fall short of serving the purpose for which it was designed until all types of work are included. The American Federation of Labor believes all workers, not just favored groups, should be covered in the old age. We are pledged to work toward that goal.

"The inclusion of employes of certain government instrumentalities, and maritime employes in this year's amendments is a step in the right direction.

"The next step should be to include agricultural workers, domestic service and employes of non-profit organizations. The inclusion of all self-employed workers up to the first $3000 of earnings a year should come as soon as feasible to make the system complete."

LOW HOSPITAL RATES SOUGHT BY MILLIONS

Pittsburgh, Pa. (AFLWNS).—The promise of hospital rates lower than those usually charged are popular with the masses, according to delegates to the mid-winter conference of Hospital Service Plans here. Reports showed that the "three-cents-a-day" hospital plan based on the non-profit principle has enrolled approximately 4,500,000 members in the United States during the past seven years.

UNITY IN ORGANIZED LABOR BLOCKED BY C. I. O. CHIEF

Resumption of Peace Conferences Desired by American Federation of Labor and Requested by President Roosevelt Refused by Congress of Industrial Organizations Chairman

By A. F. of L. Weekly News Service.

Editor's Note—An authentic and documented statement regarding the origin of the controversy between the American Federation of Labor and the Congress of Industrial Organizations, and the efforts made to settle differences, placing complete responsibility on the chairman of the C. I. O. for the breakdown of peace conference between the representatives of the two groups, featured the address of William Green, President of the American Federation of Labor, at a mass meeting in East St. Louis, Illinois, recently celebrating the forty-first anniversary of the Central Trades and Labor Union of that city. The text of Mr. Green's statement follows:

Those who are unfriendly to organized labor are emboldened to attack it in these troubled days because labor is divided against itself. Labor divided loses its strength. Labor united is invincible. That is the first lesson we all learned as trade unionists.

A. F. of L. Seeks Restoration of Labor Unity

The restoration of unity is the most pressing problem confronting the organized labor movement. I want to discuss this problem with you tonight without passion and without prejudice, not in a spirit of hate but in the hope of restoring peace.

The split in the labor movement has been in existence now for more than four years. These four years have been years of bitter rivalry and strife. Union men have been arrayed fighting each other in many fields. This tragic situation was not precipitated by the American Federation of Labor. Division, secession and rebellion was none of our seeking. It was forced upon us against our will, against our hopes and against our prayers.

I disavow with all the emphasis at my command the responsibility for the division which was created within the ranks of labor. I worked and pleaded with all the power and influence at my command to prevent it. I have done everything that an honorable man could do since it occurred to stop it, to settle differences, to restore unity and to solidify the ranks of labor.

Origin of A. F. L.-C. I. O. Controversy

Let us go back a bit and look at the record. Let us examine the facts. Let us do this not for the purpose of fixing the blame but for the purpose of establishing the truth. The facts are these:

1. Labor was united in the American Federation of Labor for more than a half century prior to the year 1935. We met in annual conventions and decided our policies and programs for the coming year in democratic fashion by majority vote. Differences of opinion were frequent, however, when the issue had been presented to the convention and a vote had been taken the decision of the majority was regarded as the law of the Federation and was accepted as such by the losing side. There was nothing to prevent the minority from attempting by persuasion and logic to win over a majority to its views and reopening any issue at the next convention.

This was the case until the 1935 convention of the American Federation of Labor at Atlantic City. An issue was presented to this 1935 convention for determination. It was thoroughly and fully and extended debate. Then a vote was taken. Two thirds of the delegates voted one way, a little more than one third the other way. But the minority which lost refused to abide by the decision of the majority. This minority met, organized and set up a Committee for Industrial Organization with the avowed purpose of compelling the American Federation of Labor to accept its minority views. Impatient of democratic processes, the C. I. O. sought to make its minority views prevail by force. It became a dual, rival movement to the American Federation of Labor.

Warned C. I. O. Leaders Against Secession Scheme

2. When the C. I. O. was formed, I sent a number of telegrams and communications to its leaders appealing to them to cease and desist. I pointed out the dangers of a split in labor and urged the leaders of the C. I. O. to return to the American Federation of Labor and continue their fight within the American Federation of Labor for the policies in which they believed. I warned them that they could not hope to succeed by secession and splitting the labor movement. My appeals fell on deaf ears.

C. I. O. Raided A. F. L. Unions

3. The American Federation of Labor endured with long-suffering patience the raids of its membership and other hostile acts of the dual organization. Finally, it was forced to take action in self-defense and suspended the original ten unions which formed the C. I. O.

A. F. L. Peace Committee Appointed

But the 1936 convention of the American Federation of Labor at the same time authorized the creation of a committee to the end of peace. It pointed this committee at once. It voted an entire year without any response from the C. I. O. Then, only after the 1937 convention of the American Federation of Labor had authorized the expulsion of the suspended unions did the C. I. O. agree to name a committee to meet and negotiate with ours.

C. I. O. Leader Vetoed Peace Agreement

The two committees met in November and December of 1937 and after prolonged discussion of every phase of the controversy finally reached an agreement. It provided for the settlement of all differences and the return of the entire C. I. O. membership to the American Federation of Labor without any discrimination.

Mark you, an official committee appointed by the leader of the C. I. O. entered into this agreement. The American Federation of Labor accepted it. The leader of the C. I. O. vetoed it.

Dubinsky's Unavailing Efforts For Peace

4. David Dubinsky, President of the International Ladies' Garment Workers Union, was one of the dual C. I. O. leaders. He was a member of the C. I. O. committee which negotiated the 1937 agreement with the A. F. of L. committee. Mr. Dubinsky sincerely and anxiously desired peace. He recounted the fact that the peace agreement which he had helped to formulate had been rejected by the leader of the C. I. O.

But Mr. Dubinsky persisted in his efforts to try to bring about peace. In August 1938 Mr. Dubinsky and a committee from his union waited upon me and formally inquired whether the American Federation of Labor would be willing to name a committee to resume peace negotiations with the C. I. O. I informed Mr. Dubinsky and his associates that the American Federation of Labor would be glad to do so.

Mr. Dubinsky then approached the leader of the C. I. O. Mr. Dubinsky reports that in that conversation the leader of the C. I. O. refused to agree to reopen negotiations unless the American Federation of Labor would agree to advance to his demands.

Ladies' Garment Workers Union Withdraws From C. I. O.

Mr. Dubinsky then publicly announced that although he was still associated with the C. I. O. he had reached the conclusion that the attitude pursued by the leader of the C. I. O. was blocking labor peace.

Shortly thereafter the C. I. O. announced it would hold a Constitutional convention and set itself up as a permanent organization dual to the American Federation of Labor. Mr. Dubinsky warned such action would split the organization and lessen the chances of obtaining peace. His views were ignored. Accordingly, the International Ladies' Garment Workers Union and Mr. Dubinsky withdrew their affiliation with the C. I. O.

Peace Negotiations Requested by President Roosevelt Blocked By C. I. O. Chairman

5. When President Roosevelt on February 22, 1939, appealed to me and to the Chairman of the C. I. O. to resume peace negotiations I responded immediately. Within twenty-four hours I named a committee to represent the American Federation of Labor. Five days later appointees of the C. I. O. committee was announced.

These committees met several times before March 31, 1939, and April 1, 1939. On April 8, the Chairman of the C. I. O. who had named himself on the C. I. O. committee notified the representatives of the American Federation of Labor that he would have to postpone further meetings because of other pressing business. He said he would notify the American Federation of Labor representatives when he was ready to resume peace negotiations. No notice has yet been received from him notwithstanding the fact that two months have passed since April 5, 1939. Therefore, we have been unable to resume peace negotiations.

C. I. O. Refuses to Resume Peace Negotiations

6. The President of the United States sent a message to the convention of the American Federation of Labor in session in Cincinnati urging peace and unity in labor and calling for a resumption of peace negotiations. I replied immediately, informing him that our committee was ready and willing to meet with the C. I. O. committee, at any time and any place whenever it was accorded an opportunity to do so. The convention unanimously approved my action and endorsed the telegram I sent to the President of the United States. The President sent a similar communication to the convention of the C. I. O. which began on October 10, last year. It was read to the convention but no action was taken.

7. On November 10, 1939, the President of the United States invited me to a conference in the White House. I went there and conferred with him. He urged me if possible to bring about a union between the American Federation of Labor and the C. I. O. could be resumed. I said "Yes," I told him again that our committee stood ready and willing to meet any time and any place with the C. I. O. committee and do its utmost to bring about a settlement.

Within an hour after I met the President, he interviewed the leader of the C. I. O. on his way to lunch. We have received no response as a result of that interview. We must assume that if the leader of the C. I. O. had agreed to resume peace negotiations we would have been informed of that fact long before this. If the C. I. O. had said "Yes" as we said "Yes" we would have met and already have been under way. Therefore, the only conclusion we can draw is that the leader of the C. I. O. rejected the request of the President of the United States and refused to resume peace negotiations.

A. F. of L. Has Done Everything Within Reason to Bring About Peace

That, my friends, is the record. I have given you the facts. In view of these facts, how can responsibility for the failure to bring about unity in labor be placed on the American Federation of Labor?

The American Federation of Labor wants peace. It wanted peace from the beginning. It wants peace now. We have done everything in the cause of peace. We have never wanted war. We do not want war now. We have done everything in honor to prevent war. We are willing to listen to and negotiate with anyone who proposes a compromise to end the labor war now. We say sincerely and sincerely, what more can we do? And you, in all frankness, how can our position be assailed?

My friends, the position of the American Federation of Labor in this all important matter is clear. It was not formulated by a small group of leaders. It was formulated and developed and ratified every year by the vote of the representatives of the 7,000,000 members of the American Federation of Labor at our annual conventions.

A. F. of L. Officials Have Acted According to Convention

A. F. of L. Conventions

The leaders of the American Federation of Labor have faithfully carried out the instructions of these conventions. They have submitted each and every decision to the membership and have received year after year an enthusiastic and overwhelming vote of approbation and confidence. In view of the facts I have cited to you, can the instruction of these annual conventions be overthrown by the action of the leader of the rank and file, stand 100 per cent behind the officials of the American Federation which is to continue to seek to bring about labor peace by any and every honorable means.

EDITORIALS

Minimum Wage Laws Benefit Workers In Low-Income Groups

The important assistance provided by minimum wage boards for workers whose clothing employers persist in compelling them to accept less-than-legal wages is revealed in the report of James B. Walsh, superintendent of the Division of Minimum Wage, of the Ohio Department of Industrial Relations, summarizing the activities of the division during 1939 in collecting from employers the difference between the wages paid and those made mandatory under the State minimum wage law.

During the year, 885 laundry, dry cleaning and food and lodging establishments were found guilty of having defrauded 1,565 employees out of $61,107.11, which amount the wage division by legal process compelled the wage scofflaws to pay to their swindled workers.

This amount, according to a statement by the Ohio Industrial Relations Department, "is the largest collected by the Division in any year since the law was enacted in 1933 and brings the total collections for the six year period to $125,697.22, of which $54,590.11 was secured for underpaid women and minors in the first five years of the law's existence. Of the 1939 total, underpaid workers in the food and lodging establishments received $57,026.76 while $3,586.02 went to employes in the dry cleaning industry and $662.33 was arranged for the laundry workers.

In view of the persistent clamor by business interests against the high cost of Government, it is interesting to note that in order to compel low wage employers in Ohio to pay the minimum wage law, a total of 15,979 investigations were made by minimum wage inspectors during 1939, bringing the number of inspections since January 1935 to 45,317. During the preceding year, 9,532 investigations were made. A comparison between the 1938 and 1939 figures shows that the Division has increased its activities appreciably.

In addition to the salaries paid minimum wage inspectors, the Minimum Wage Division was also put to considerable expense in carrying forward prosecutions and court actions for violations of the law.

If Ohio employers would recognize the validity of the Minimum Wage Law and obey it willingly the expense of Wage Hour Inspection and court cases, the cost of government in Ohio would be appreciably reduced. This also applies to every other State and to the Federal Government, which is largely responsible for the enforcement expenditures can be charged up to the cost of enforcing labor laws.

The Suspension of I. T. U. Locals From A. F. of L. Central Bodies

The action of the Executive Council of the American Federation of Labor at its Miami meeting in ordering the A. F. of L. State federations of labor and city central bodies to dissociate themselves from locals of the International Typographical Union followed inevitably from the decision of the 1939 A. F. of L. convention suspending the I. T. U. from membership in the Federation. The action of the convention was in accordance with that provision of the constitution which stipulates that any affiliated organization not paying its per capita tax and assessment or assessments when due and payable shall be suspended by the secretary-treasurer of the Federation, with the added proviso that if at the end of three months the affiliated organization is still in arrears it shall become suspended from membership in the American Federation of Labor.

In a plainly worded explanation of the action of the Executive Council with regard to the suspension of locals from membership in State federations of labor and city central bodies, Mr. Green said:

"The American Federation of Labor has endeavored to deal with this situation in a generous and considerate manner.

"A year ago last October, in response to an appeal made by myself and other officers of the A. F. of L., the delegates from the I. T. U. were seated after the I. T. U. had given its promise to pay the assessment then overdue. At that time they were delinquent only for one year.

"The I. T. U. was in default international dues had failed to pay the assessment and is the only one now that has failed to pay the assessment.

"President Baker assured our 1938 convention that if his international union failed to pay the assessments due by the Union the 1939 convention would be would not ask for representation in the convention.

"By the unanimous action of the I. T. U. was held and that convention instructed Mr. Baker and his associates to appear before our Cincinnati convention last October and ask to be seated. They appeared, presented their credentials and were seated.

"The credentials committee reported adversely and the convention unanimously sustained the report and denied them representation.

"Ever since the adjournment of the convention last October, we have tried, through conferences and appeals, to prevail upon the I. T. U. to place itself in good standing with the A. F. of L. and remain affiliated with it.

"Mr. Baker and his associates are sympathetic and would do so if they could. But because of the I. T. U. referendum a year ago their hands are tied, and they say, and the only solution is another referendum. We regret that this is the only solution. We share Mr. Baker's view will continue their efforts to have another vote taken. We regret that this referendum ballot will be sent to the members of the local unions in America. It was chartered before the Civil War and is one of the very few existing unions that participated in the formation of the A. F. of L. in 1881 and has remained with the A. F. of L. ever since that time."

Government Employes Benefited By American Federation of Labor

Legislation Improving Wages, Hours and Work Conditions Supported by the Federation Aids Thousands of Federal Workers.

By A. F. of L. Weekly News Service.

Editor's Note—One of the outstanding achievements for the benefit of many thousands of Government employes obtained with the assistance of the American Federation of Labor and its affiliated unions composed in whole or in part of Federal employes, was recently set forth by William Green, President of the American Federation of Labor, in an address at a mass meeting in East St. Louis, Illinois, recently celebrating the forty-first anniversary of the Central Trades and Labor Union of that city. Linking his remarks with the 25th anniversary of National Civil Service Week, Mr. Green said:

This is the closing night of National Civil Service Week, marking the 57th anniversary of the enactment of the National Civil Service Act. The American Federation of Labor is deeply interested in the Civil Service and in the welfare of Government employes generally. Prior to the organization of Government employes the unions affiliated with the American Federation of Labor, the courses of their wages and working conditions showed a steady, downward trend over a period of several decades. But since they have organized and become part of our movement, their progress has been rapid.

With the assistance of the American Federation of Labor, the Lloyd-La Follette Act was passed in 1912 protecting the right of Government workers to organize into unions. With the help of the American Federation of Labor, Government employes obtained the Classification Act, the Retirement Act, increased wages, extended the Civil Service and higher pay and shorter working hours. They have organized into a number of unions, such as the American Federation of Government Employes, the National Association of Letter Carriers, the National Federation of Post Office Clerks, the Railway Mail Association and many others. All these groups, banded together in the American Federation of Labor, have shown splendid progress.

Organization of Federal Employes in Unions Necessary For Effective Civil Service

In connection with the observance of National Civil Service Week there are two points I wish to refer to.

First, the civil service did not become really operative until Government employes were enthusiastically permitted to organize into unions. Only when Government workers are up against the same problems as workers in private industry, They want up into organizations to improve working conditions.

However, they cannot achieve their objectives by the exercise of economic strength. They must rely on governmental action. Therefore, they call upon the labor movement as a whole to use its influence and prestige in their behalf.

$1,500 Minimum Wage For Government Workers Urged

Take the case of the American Federation of Government Employes. Their program calls for the establishment of a minimum wage of $1,500 a year, or about $30 a week, for full-time work; a work week of five consecutive days; extension of the Civil Service to all Government jobs not policy-forming in their nature, and an appeals system to prevent administrative injustices. These are objectives which all organized labor, including every particular union, can wholeheartedly endorse.

REPRESENTATION BASIS IN AFL CENTRAL BODIES

By A. F. of L. Weekly News Service.

The 1939 convention of the American Federation of Labor voted to retain the present system of representation of locals in central labor bodies.

The subject came before the convention in a resolution introduced by Delegate P. A. Ackerman of the Chicago Federation of Labor which contended that a system should be devised for a more adequate representation of the larger locals. The resolution said:

"The present Constitution of the American Federation of Labor, Article II, Section 11, provides that 'The representation of local unions entitled to affiliation in Central Labor Unions shall be as follows: Local unions having 50 members or less, 2 delegates; from 51 to 100 members, 3 delegates; 101 to 250 members, 4 delegates; 251 to 500 members, 5 delegates; one additional delegate to be allowed for each additional 500 members or major fraction thereof.'

"Organizations of members up to 50 are entitled to 2 delegates, and up to 100 to 3 delegates. These figures represent a grave injustice to larger local unions, as for example: a local union with 50 members is entitled to only 30 delegates to the Central Labor Union, while 10 small local organizations of 100 members each; totaling 1,000 members in all, are entitled to the same representation, namely 30 delegates; or 10 small local organizations of 50 members each, totaling 500 members, have the same representation as the 30 delegates; or 15 small local organizations of 10 members each, totaling 150 members, have the same representation as the one local organization of 13,000 members; and 15 locals of 10 members each, with a total of 150 members, have eighty-six and two-thirds (86 2/3) times the rate of representation as the one local of 13,000 members.

"A comparison of the per capita tax paid by the last 10 local unions of 100 members each, totaling 1,000 members in all, at 75c per month per month per capita tax or $240.00 per year, that they have the same representation in the Central Labor Union as the one local with 13,000 members paying $1,950.00 per month or $23,-400.00 per year per capita tax.

"In practical operation the said Section 11 has worked to the detriment for the effective affiliation of organizations in the Central Labor Union, and it can readily be seen that this is a clear case of taxation without proper representation, and the amendment will return us to the basic principles of the American Federation of Labor as established prior to this change in the Constitution."

Law Committee Opposes Amendment

As a means to eliminate the alleged injustice of the present basis of representation, the resolution provided that the last clause of Section 11 be amended to provide that all local unions whose membership is 100 or less shall be entitled to 2 delegates to the Central Labor Unions and one additional delegate for each additional 100 members or major fraction thereof.

The Committee on Law submitted the following report on the resolution:

"The introducer of this resolution, and a number of other representatives of the Chicago Federation of Labor appeared before the committee in favor of its adoption, while delegates from Illinois, Iowa and Wisconsin Rapids, Wisconsin, Central Bodies appeared in opposition.

"Your committee has given careful attention to the fact that a somewhat similar resolution was presented by Delegate A. F. Hendrick of the Associated Trades Council of Milwaukee, Wisconsin, at the 1915 convention held in Tampa, Florida, which resolution, after lengthy consideration in committee, was laid on the table without amendment clarifying the section in question was recommended and adopted by the convention.

"While realizing that some further amendment and clarification may be done be necessary, your committee is nevertheless of the opinion that the amendments as now proposed would defeat the purpose of the introducers, as explained, and weaken and discourage instead of helping Central Unions.

"Your committee accordingly unanimously disapprove of the resolution."

The convention adopted the report of the Committee on Law.

SPY SERVICE OPERATED BY CALIF. EMPLOYERS

By A. F. of L. Weekly News Service.

Evidence that California employers have been operating a spy service for the purpose of destroying labor unions was presented before the Senate Civil Liberties Committee which disclosed that the Industrial Association of San Francisco has many years financed and operated an elaborate anti-strike and labor espionage service in the California field of labor.

The committee's investigation revealed that the association, which was formed in 1921 and discontinued its activities, had a display as intended to cover service for its labor espionage and had offered its services for the service consisting of property protection and supplying strike breakers.

The disclosures at the labor spy service schemes by the Civil Liberties Committee and association, according to the evidence, destroyed many of its records when the committee began to display an interest in the activities of anti-labor groups in California.

Large Unemployment Compensation Extension Sought by the A. F. of L.

Workers in Plants Employing Less Than Eight Persons, Domestics, Agricultural Workers, Employes of Non-Profit Organizations, and Seamen Should Be Paid For Loss of Earnings During Periods When Employers Throw Them Into the Jobless Army.

By A. F. of L. Weekly News Service.

It is quite generally believed that Congress during its 1940 session should give serious consideration to remedying the fundamental injustice in the Social Security Act which bars untold thousands of working men and women from remuneration for periods of unemployment imposed upon them by those who own and control American industry.

The Government of the United States, in the language of the immortal Lincoln, is described as a government of the people, by the people, and for the people. This definition undoubtedly means that ALL the people are entitled to the benefits of Federal legislation. And yet, Congress in setting up the unemployment compensation system under the Social Security Act has excluded large numbers of workers from the payment of benefits when they become unemployed. These blacklisted workers include those in plants with less than eight employes, salesmen, employes of non-profit organizations, agricultural workers, domestics, and seamen.

The legislative program of the American Federation of Labor demands the extension of unemployment compensation to all of these groups now outside the scope of Federal legislation covering this subject. The definite and understandable position of the Federation was made clear by the 1938 convention which adopted the following declaration on the paramount necessity of extending the coverage of unemployment compensation:

Present Laws Bar Millions From Compensation

"Although the unemployment compensation laws are different for each State, the coverage of the Federal tax on employers largely influences the laws in State laws in coverage.

"For reasons of administrative simplicity, and to simplify employers' bookkeeping and reporting, the Social Security Board recommended that coverage for old-age insurance and unemployment compensation laws be made the same with a few exceptions according to types of work in which the status of being unemployed is difficult to define. Particularly the Board recommended that the unemployment compensation tax be applied to only the first $3000 of wages earned by a person in a year as it was for the old age insurance tax for the employer's part to be defined for unemployment compensation purposes as for old-age insurance purposes, or more persons at any time in the year.

"The Board recognized that changing the amount of wages taxable would reduce the income of the funds but felt the advantages in simplifying administration compensated for this disadvantage. As passed, however, the exemptions rendered the tax base but left 'employer' defined for unemployment compensation as an employer of 8 or more persons at any time in the year in each of 20 different weeks in the year.

"This has led to confusion in reports, unreasonably excludes workers in smaller plants who are equally subject to unemployment hazards, and leaves an unfair margin of competition in favor of employers employing under 8 and those who employ 8 or more persons.

"Labor Is Not Free to Define Chiseling Employers

"There is need to extend the coverage of unemployment compensation laws and to define more clearly the duties of responsibility which constitutes an 'employer' subject to the law, in order to prevent chiseling by some employers who wish to escape their fair responsibility for the tax.

"In a number of cases employers have been slightly late in making or paying employes, hoping thereby to have them appear as independent contractors and thus escape liability. Labor must be alert to block such unfair treatment of workers.

"One way in which these practices could be rendered useless would be to extend coverage of unemployment compensation laws to all employing persons and so clarify the meaning of the unemployment benefits that no employer could avoid taxation by such a subterfuge.

"We have a task before us to see that the law operates for the protection of workers, as was intended, and is not rendered useless by the many exceptions to its application.

"The American Federation of Labor believes coverage of unemployment compensation laws should be extended to domestic labor, to employes of non-profit organizations, to salesmen, and to all agricultural workers except, for the present, those who are truly 'farm hands' on small farms whose type of work precludes it difficult to define unemployment.

No Sound Logic In Exclusion By Occupations

"While the inequity of exclusion from unemployment compensation of workers different from that under old-age insurance because the worker pays no unemployment compensation tax and his equity is built up for one year only rather than over a period of years, there is no sound logic for most of the exclusions by occupation, and the system is rendered less effective because of them.

"Labor wants fair treatment and security for all who are normally employed by one or more persons at least one day in each of 20 different weeks in the year.

"This does not be confusion in reports, unreasonably excludes workers in smaller plants who are equally subject to unemployment hazards, and leaves an unfair margin of competition in favor of employers employing under 8 and those who employ 8 or more persons.

"Labor is not free to define the coverage of Federal laws in order to prevent chiseling by some employers who wish to escape their fair responsibility for the tax.

"In a number of cases employers have been slightly late making or paying employes, hoping thereby to have them appear as independent contractors and thus escape liability. Labor must be alert to block such unfair treatment of workers.

"One way in which these practices could be rendered useless would be to extend coverage of unemployment compensation laws to all employing persons and so clarify the meaning of the unemployment benefits that no employer could avoid taxation by such a subterfuge.

"We have a task before us to see that the law operates for the protection of workers, as was intended,

Railroad Workers Covered

"The problem of providing unemployment compensation for interstate workers was met for railroad workers last year by the enactment of the Railroad Unemployment Compensation Law, setting up a separate system of compensation on a Federal basis.

Seamen Are Barred

"The same problem exists, as yet unsettled, for the seamen. The American Federation of Labor will work with the seamen's unions in an attempt to get the coverage for unemployment compensation as for old-age insurance. Because the jurisdiction of the United States over operating the inland waterways is limited and the status of workers whose work is partly on the vessel and partly on shore is so confused, most seamen may not temporarily be entitled to unemployment compensation laws even though their employment is entirely on the high seas. The duty now officers and crews would in any case be covered under the State jurisdictions. Only Federal law can provide coverage for maritime employes.

"Wood bills (H. R. 2553 and H. R. 6534) designed to establish a Federal maritime unemployment compensation system were introduced in this session of Congress. They failed to pass.

"The American Federation of Labor will continue to work for unemployment compensation coverage for seamen through a Federal law. Their inclusion in the old-age benefit program is a matter of satisfaction to Labor."

Full Support of Workers Education Bureau by A. F. of L. Unions Urged

By A. F. of L. Weekly News Service.

All national and international unions and State and local bodies of the American Federation of Labor were urged to affiliate with the Workers Education Bureau of America and contribute financially to its support by the 1939 convention of the Federation at Cincinnati.

This important matter was brought to the attention of the convention in the following report on the "Workers Education Bureau of America Movement" submitted by the Committee on Education and adopted by the convention:

"Samuel Gompers shortly before his death prophesied with unerring accuracy that 'whatever progress the American labor movement makes in the future will rest on educational foundations.' Subsequent events have abundantly supported his prophecy. An educational basis has been provided for the labor movement; progress has been made, but no one who looks candidly at our movement could be entirely satisfied with the progress that we have made. We must make even more ample provision for our educational activity if we are to keep faith with the vision of the future. It can expect no more of labor than we put into it. The need for an expansion and diversification of our educational activities is evident.

"The opportunities for educational service are without end. But if we are to realize the opportunities before us, if we are to expand the base of our educational activities, we have got to make larger provision for the financial support of this work.

"When the Workers Education Bureau of America was created in 1921 it was part of the vision of its founders that each international union would contribute toward that object the support of the Bureau. This method of financing the Bureau's activities has been followed in principle by labor. Toward that object the Bureau has worked consistently for years.

"The last El Paso convention adopted a plan for the voluntary support of the bureau on a per capita basis. The Executive Council has made a small contribution in support of the bureau. With this aid, the bureau has made some progress.

"However, that goal of the founders has not yet been reached. It is evident that the extent of the service of the bureau to the trade unions bears a direct relation to the amount of support which it receives from trade unions. At a time when the need for the education of labor has become more urgent than ever before it is imperative that even greater effort should be made for increasing the financial support of the bureau.

"Your committee therefore recommends that the President of the American Federation of Labor send a letter to national and international unions, State federations of labor and city central bodies, not yet affiliated, urging their affiliation with the Workers Education Bureau of America, so that its service can be expanded to meet the needs of our forward-looking labor movement."